DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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December 15, 2022

Scott Reimers
City of Temple City
Community Development Director
9701 Las Tunas Drive
Temple City, CA 91780

Dear Scott Reimers:

RE: City of Temple City - Follow-Up Letter of Technical Assistance

This letter memorializes the status of the open accountability case against the City of Temple City (City) regarding the City's SB 9 Implementation Ordinance (Ordinance). It documents the commitments made by the City and establishes a timeline for corrective action. Beginning on December 12, 2021, when HCD received the initial complaint that the Ordinance violated the Housing Crisis Act (Gov. Code, § 66300) and portions of State Housing Element Law (Gov. Code, § 65580-65589.11) that relate to governmental constraints on the production of housing, HCD and the City have had an ongoing written and verbal dialogue regarding proper application of state housing laws.

The City's Commitments

This dialogue has culminated in the City committing to the following actions:

- 1. Maximum Unit Size. The City agrees to delete TCMC 9-1T-21.A.4.c, a provision of the Ordinance that established a universal 800 square feet maximum unit size on all units built pursuant to SB 9. This will mean that all existing R-1 Zone development standards will apply (TCMC 9-1T-21.A.4.a) except as modified (TCMC 9-1T-21.A.7) to achieve units at least 800 square feet in size. In some or most instances, it will be possible to build an SB 9 unit that is larger than 800 square feet.
- 2. **Courtyard Requirements**. The City agrees to amend TCMC 9-1T-21.A.6.m such that the courtyard requirements of the R-2 Zone will apply to SB 9 units.
- Accessory Dwelling Unit (ADU). The City agrees to amend TCMC 9-1T-21.A.4.b to clarify that two SB 9 units and two ADUs/Junior ADUs can be constructed, pursuant to State ADU Law, on a site where no urban lot split is proposed.

The City agrees to complete the three above-listed amendments to the ordinance no later than June 30, 2023, with the first public hearing in the amendment process occurring no later than March 31, 2022. These dates are based on a timeline proposed by the City in its letter dated May 22, 2022, and reiterated in an email dated December 12, 2022.

State Housing Element Law - Governmental Constraints

In addition, HCD reminds the City that it has committed to studying, and if necessary amending, its SB 9 implementation ordinance in the City's 6th Cycle Draft Housing Element Implementation Program C12 (SB 9 Requirements). The program states the following: "Based on HCD's review, the City will amend its urban lot splits and urban dwelling requirements as necessary to comply with State law." It includes a timeframe of 2022-2023. This means that the City will have completed all parts of this program by no later than December 31, 2023. Given the City's self-expressed six-month zoning code amendment process, it appears the City will need to begin this process no later than June 1, 2023, with the first public hearing occurring no later than August 31, 2023, to achieve an end-of-year completion.

As described in detail in HCD's Letter of Technical Assistance dated April 29, 2022, HCD remains concerned that the following components of the Ordinance may represent governmental constraints on housing production and/or a failure to Affirmatively Further Fair Housing (AFFH):

Parking Requirements

- Prohibition on off-street parking spaces that would serve residents of SB 9 units
- o Prohibition on residents of SB 9 units purchasing on-street parking permits

• 30-Year Affordable Housing Deed Restriction

o 100 percent of SB 9 units are required to be deed-restricted affordable

LEED Platinum Certification

o All SB 9 units are required to achieve LEED Platinum levels of energy efficiency

Subterranean Third Story Requirement

 In certain instances, the Ordinance requires that a portion of the floor area of a dwelling built under SB 9 be located underground

Conclusion

HCD would like to remind the City that under Government Code section 65585, subdivision (j), HCD has enforcement authority over these and other housing laws. Accordingly, HCD may review local government actions to determine consistency with these and other laws. (Gov. Code, § 65585, subd. (i).) If HCD finds that a city's actions do not comply with state law, HCD may notify the California Office of the Attorney General. (Gov. Code, § 65585,

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subd. (j).) Penalties for failure to implement Housing Element implementation programs include housing element decertification.

If you have questions or need additional information, please contact Brian Heaton, of our staff, at Brian.Heaton@hcd.ca.gov.

Sincerely,

David Zisser

Assistant Deputy Director

Local Government Relations and Accountability

cc: Brian Cooke, City Manager

Greg Murphy, City Attorney